



General Assembly

January Session, 2001

Amendment

LCO No. 6123

Offered by:

SEN. FINCH, 22nd Dist.

REP. FLAHERTY, 8th Dist.

To: Subst. Senate Bill No. 1015

File No. 238

Cal. No. 213

***"AN ACT CONCERNING THE DISPOSITION OF PROPERTIES IN
DEFAULT."***

1 In line 67, after "(1)" strike "Upon the lawful dissolution of any" and
2 insert the following in lieu thereof:

3 "Upon an action by the commissioner to preserve the state's interest
4 in any contract for financial assistance in any form that results in the
5 state acquiring title to any property, the commissioner, for the
6 purposes of operating the property, shall be considered to be an
7 eligible developer for the purpose of receiving state or federal financial
8 assistance on behalf of the property or its operation; (2) to do any acts
9 necessary or appropriate to enforce, on behalf of the state, legislative,
10 regulatory or contractual requirements."

11 Strike lines 68 to 95, inclusive, in their entirety

12 After line 100, insert the following:

13 "Sec. 2. Subsection (c) of section 8-70 of the general statutes is

14 repealed and the following is substituted in lieu thereof:

15 (c) Permanent loans or deferred loans made by the state under the
16 authorization of this section (1) shall bear interest payable quarterly on
17 the first days of January, April, July and October for the preceding
18 calendar quarter at a rate to be determined in accordance with
19 subsection (t) of section 3-20; (2) shall be in an amount not in excess of
20 the development cost of the project or projects, including, in the case of
21 loans or deferred loans financed from the proceeds of the state's
22 general obligation bonds issued pursuant to any authorization,
23 allocation or approval of the State Bond Commission made prior to
24 July 1, 1990, a state service charge, as approved by the Commissioner
25 of Economic and Community Development; and (3) shall be repayable
26 in such installments as are determined by the Commissioner of
27 Economic and Community Development within fifty years from the
28 date of completion of the project or projects, as determined by the
29 Commissioner of Economic and Community Development. The term
30 of a permanent loan or deferred loan may be extended upon the
31 recommendation of the Commissioner of Economic and Community
32 Development [with the approval of the State Bond Commission] after
33 notification to the State Bond Commission and the Secretary of the
34 Office of Policy and Management, if the commissioner determines that
35 such an extension is necessary for the continuing financial viability of a
36 project. In anticipation of such permanent loans or deferred loans, the
37 state, acting by and through the Commissioner of Economic and
38 Community Development, with the approval of the Governor and the
39 Treasurer, may make temporary loans or deferred loans or advances to
40 the authority or authorities at an interest rate to be determined in
41 accordance with subsection (t) of section 3-20. As a condition of
42 making any loan under this section, the commissioner may require the
43 authority or authorities or the eligible developer to develop a
44 management plan designed to ensure adequate maintenance of such
45 project or projects.

46 Sec. 3. Section 8-64a of the general statutes is repealed and the
47 following is substituted in lieu thereof:

48 No housing authority which receives or has received any state
49 financial assistance may sell, lease, transfer or destroy, or contract to
50 sell, lease, transfer or destroy, any housing project or portion thereof in
51 any case where such project or portion thereof would no longer be
52 available for the purpose of low or moderate income rental housing as
53 a result of such sale, lease, transfer or destruction, except the
54 Commissioner of Economic and Community Development may grant
55 written approval for the sale, lease, transfer or destruction of a housing
56 project if the commissioner finds, after a public hearing, that (1) the
57 sale, lease, transfer or destruction is in the best interest of the state and
58 the municipality in which the project is located, (2) an adequate supply
59 of low or moderate income rental housing exists in the municipality in
60 which the project is located, (3) the housing authority has developed a
61 plan for the sale, lease, transfer or destruction of such project in
62 consultation with the residents of such project and representatives of
63 the municipality in which such project is situated and has made
64 adequate provision for said residents' and representatives'
65 participation in such plan, and (4) any person who is displaced as a
66 result of the sale, lease, transfer or destruction will be relocated to a
67 comparable dwelling unit of public or subsidized housing in the same
68 municipality or will receive a tenant-based rental subsidy and will
69 receive relocation assistance under chapter 135. The commissioner
70 shall consider the extent to which the housing units which are to be
71 sold, leased, transferred or destroyed will be replaced in ways which
72 may include, but need not be limited to, newly constructed housing,
73 rehabilitation of housing which is abandoned or has been vacant for at
74 least one year, or new federal, state or local tenant-based or project-
75 based rental subsidies. The commissioner shall give the residents of the
76 housing project or portion thereof which is to be sold, leased,
77 transferred or destroyed written notice of said public hearing by first
78 class mail not less than ninety days before the date of the hearing. Said
79 written approval shall contain a statement of facts supporting the
80 findings of the commissioner. This section shall not apply to the sale,
81 lease, transfer or destruction of a housing project pursuant to the terms
82 of any contract entered into before June 3, 1988. This section shall not

83 apply to phase I of Father Panik Village in Bridgeport, [and] Elm
84 Haven in New Haven or the Pequonock Gardens project in
85 Bridgeport."

86 In line 101, strike "2" and insert "4"